

Chapter 29.—Coin.

Kinds of Coin	566	<i>Disposal</i>	588
Exchange of Small Coin	569	<i>Remittances from Railways to the</i>	
Coins under the Native Coinage Act	572A	<i>Mint</i>	590A
Conditions of Currency	573	<i>Rupee Census</i>	591
Persons authorised to cut, etc.	575	Uncurrent Copper Coin	592
Counterfeit Coin	579	Foreign Coin	597
Diminished and Defaced Coin	582	Small Coin Depôts	599
Coin called in by Proclamation	586	Storage of Coin	603
Defective Silver Coin	587	Annual Estimate	605
Returns	587A		

Kinds of Coin.

566. Under the Indian Coinage Act (III of 1906), the following coins may be issued:—

- (a) Silver.—Rupee piece, half-rupee (or 8-anna piece), quarter-rupee (or 4-anna piece) and eighth-rupee (or 2-anna piece). The standard weight of the rupee piece is 180 grains Troy, the other silver coins being of proportionate weight;
- (b) Nickel.—One-anna piece, the standard weight of which is 60 grains Troy; and
- (c) Bronze.—Single pice or quarter-anna, half-pice or one-eighth of an anna and pie or one-twelfth of an anna. The standard weight of the pice is 75 grains Troy, the other bronze coins being of proportionate weight.

The rupee and half-rupee are legal tender to any amount and the quarter-rupee and eighth-rupee for any sum not exceeding one rupee, provided they satisfy the conditions of currency laid down in the Act. The nickel and bronze coins are legal tender for any sum not exceeding one rupee.

566A. All silver coins coined and issued under Acts XVII of 1835, XXI of 1838, XIII of 1862 and XXIII of 1870 and declared by those Acts to be legal tender are still legal tender under the new Coinage Act, provided they satisfy the conditions of currency laid down in that Act. All copper coin, including double pice, coined and issued under Acts XXI of 1835, XXII of 1844, XIII of 1862 and XXIII of 1870 and declared by those Acts to be legal tender, are still legal tender under the new Act for any sum not exceeding one rupee.

1. Silver coins issued before 1st September 1835—that is to say, all silver coins issued by the East India Company bearing merely inscriptions in native character—have been called in by Financial Notification No. 2466 (*Gazette of India*, 8th December 1877), with effect from the 1st June 1878, on and after which date they ceased to be legal tender the only silver coins which remain so being those which bear as device the head of the reigning sovereign (King William IV, or Queen or Empress Victoria).

2. Authorities in British India adjoining Native States should be observant of the importation and circulation in their districts of the currencies of those States which have not been coined under the Native Coinage Act, IX of 1876, and should report to Government any indications of renewed importation. When such foreign coin is believed to be in circulation, the public should be warned that it is not recognised by Government and will not be accepted at post offices, treasuries, railway stations or by local bodies.

567. Gold coins, whether coined at His Majesty's Royal Mint in England or at any Mint established in pursuance of a proclamation of

His Majesty as a branch of His Majesty's Royal Mint, are also legal tender under Act III of 1906 at the rate of Rs15 per sovereign, provided they satisfy the conditions of currency.

These coins are:—The sovereign and the half-sovereign. They should be received at all treasuries in British India and its dependencies in payment to Government on any account, provided they satisfy the conditions of currency. Any treasury having a stock of sovereigns may issue them to anyone who asks for them in exchange for rupee, or in payment of claims against Government.

1. The conditions of currency are (1) that the coins have not been called in by any proclamation under the English Coinage Act of 1870, or (2) that they have not lost weight, so as to be of less weight than that for the time being prescribed as the least current weight.

2. The gold coins mentioned in this rule have not been called in by proclamation and the least current weights for sovereigns and half-sovereigns are 122.5 and 61.25 grains respectively. Minimum weights for testing these are obtainable from the Calcutta Mint on application to the local Accountant General.

3. Sovereigns and half-sovereigns, even though below the least weights mentioned in Note 2, will be received at Government treasuries at the following rates, viz. :—

(1) When such coins have not been reduced by more than 3 grains below standard weight, i.e., are not less in weight than grains 120.27447 and 58.63723 respectively (the standard weight being 123.27447 and 61.63723 grains respectively)—at their face value.

(2) When such coins are of less weight than 120.27447 and 58.63723 grains respectively—at their bullion value by weight.

Provided that such coins have not been illegally dealt with, i.e., have not been impaired, diminished or lightened otherwise than by fair wear and tear, or defaced by having any name, word, device or number stamped thereon, whether the coin has or has not been thereby diminished or lightened. Coins below the least weights received under this Note should not however be re-issued to the public, but should be remitted to central treasuries or to the Mint from time to time under orders of the Accountant General. Coins which are of less weight than 120.27447 and 58.63723 grains will be paid for at the rate of 8.2183 grains or .045657 tola for one rupee. Minimum weights for 120.27447 and 58.63723 grains are obtainable from the Calcutta Mint on application to the local Accountant General.

4. Sovereigns and half-sovereigns to which solder or other metal has been attached will also be accepted at Government treasuries, but in determining their weight, the weight of such solder or other metal should not be taken into account. If after removal of the solder the coins do not weigh less than 120.27477 and 58.63723 grains, they will be accepted at their face value; otherwise they will be paid for at the rate of 8.2183 grains or .045657 tola for one rupee.

567A. On the first working day of each month a statement in Form 73 must be sent by every Treasury Officer to the Accountant General showing the receipts and issues of gold in the treasury during the month (including receipts by weight), and the opening and closing balances which must agree with those reported in the Cash Balance Report. Similar statements in the same form, giving the necessary information for the periods ending the 7th, 15th, 22nd and last day of each month, should also be sent to the Accountant General on the first working day after the close of the periods to which the statements relate.

568. Copper, bronze, nickel and small silver coin will be received in payments to Government to any amount, although they are legal tender only for a sum not exceeding one rupee.

NOTE.—Treasury Officers should also exchange worn small silver coins presented by Government officers for that purpose, provided that such exchange causes no inconvenience to the treasury and that the coins have not been fraudulently defaced or have not lost more than 25 per cent. in weight.

Article 567, para. 2, page 240—

Substitute the following for the first sentence of para. 2:—

“The coins generally in circulation are the sovereign and half-sovereign, but two-pound and five-pound pieces have also been issued from the Royal Mint.”

[9th list—1.7.15.]

Page 240, Article 567, Note 4—

Substitute 120·27447 for 120·27477 in line 4 of the above note.

13th List—1-4-16.

Exchange of Small Coin.

569. Bronze and copper, nickel and small silver coins should be issued freely to persons wishing for them, either in payment of claims against Government or in exchange for rupees or sovereigns or for currency notes which the treasury may be cashing. There should be no objection to issuing such coins so long as there are any in stock and a further supply should be asked for as soon as it is required.

NOTE 1.—Care is also to be taken to let it be openly known that all small coins are obtainable both at the district and sub-treasuries, without obstacle and without charge for exchange, and to secure that they really are so obtainable.

NOTE 2.—Copper coin of British mintage is supplied to Native States under Financial Department No. 4791, dated 7th November 1882. The issues are made under special order of the ~~Comptroller-General~~, the Native State paying full nominal value and the Government of India paying cost of carriage (whether defrayed by it or by the Native State) to the place where the coin is required for issue. The coinage of pure copper having been stopped under Act III of 1906, this supply will in future be made in bronze or copper or partly in bronze and partly in copper as convenient. Nickel coins are also supplied to Native States on the same terms as bronze.

NOTE 3.—Supplies of small silver coin should ordinarily be made to Native States from the nearest Provincial capital or Presidency town, and the actual cost of such remittances charged to the States. When a supply has to be made from elsewhere, the charge should be limited to the cost of remittance from the nearest Provincial capital or Presidency town. The incidence of the cost of remittances to the Alwar State is regulated by special orders.

570. (a) The Government of India have also directed the free issue of silver in exchange for legal-tender copper, bronze or nickel coin in parcels of the value of not less than two rupees at every treasury, sub-treasury and currency office throughout British India, and also at the Presidency Banks and their branches.

(b) Whenever large bodies of men are assembled on public works under construction for purposes of famine relief or otherwise, the local authorities should make special arrangements to supply silver on the spot in exchange for the legal-tender copper, bronze or nickel coin which may be collected by the purveyors or foremen at such assemblages.

NOTE.—Legal-tender copper, bronze or nickel coin received by the Banks under these orders will be subject to the operation of the tenth and eleventh clauses of the Agreement with the Bank of Bengal and the eleventh and twelfth clauses of the Agreements with the Banks of Madras and Bombay; and the Comptroller General or Accountant General, as the case may be, will, under the sixth clause of the Agreement with the Bank of Bengal, the eighth clause of the Agreement with the Bank of Bombay and the seventh clause of the Agreement with the Bank of Madras, pass bills for the cost of remitting elsewhere surplus legal-tender copper, bronze and nickel coin which may accumulate in any Bank or Branch Bank.

571. The object of the orders in the last rule is to prevent legal-tender copper, bronze and nickel coin from circulating at a discount; it is believed that if they are carefully obeyed, such a state of things can never occur. If nevertheless legal-tender copper, bronze or nickel coin does at any time, or anywhere, circulate at a discount or at a premium, the circumstances should be immediately reported to the Local Government and by the Local Government to the Government of India, with full explanation of the supposed causes of it and of the measures taken to remedy it.

572. Care must be taken not to receive, whether under these orders or otherwise, at any treasury, sub-treasury, or currency office, any copper, bronze or nickel coin that is not a legal tender under the Indian Coinage Act, 1906.

NOTE.—Copper coin bearing the device of a pair of scales, or any coin which may have been ordered to be withdrawn from circulation may, however, be received.

Coins under the Native Coinage Act.

572A. Under the Native Coinage Act (Act IX of 1876) the Government Mints may coin money for Native States, such coin being identical in weight and fineness with British Indian coin and being legal tender in British India. The two Native States of Alwar and Bikaner have accordingly ceased minting for themselves both silver and copper coin, and are supplied with coin minted for them under the Act by the Government of India. These coins were declared legal tender in British India by Government of India, Foreign Department, Notifications Nos. 557-F. and 1984-I., dated 9th November 1877 and 6th June 1893, respectively. The Native States of Dhar and Dewas have also ceased to mint copper coin only, and are supplied with bronze (formerly copper coins) struck under the Act at the Government Mints. These coins were also declared to be legal tender by the Government of India, Foreign Department, Notifications No. 171-I., dated 13th January 1888, and Nos. 1194-I. and 1198-I., dated 18th March 1889. The Native State of Sailana has undertaken to abstain from bronze or copper coinage under certain conditions and is supplied with bronze coins struck under the Act by the Government of India. They were declared to be legal tender in Government of India, Foreign Department, Notification No. 4366-I.A., dated 17th December 1908.

Uncurrent Silver Coin.

Conditions of Currency of Silver Coin.

573. Section 12 of Act III of 1906 provides that—

- (1) The rupee and half-rupee shall be a legal tender in payment or on account: provided that the coin—
 - (a) has not lost in weight so as to be more than two per cent. below standard weight; and
 - (b) has not been defaced.
- (2) The quarter-rupee and eighth-rupee shall be a legal tender in payment or on account for any sum not exceeding one rupee: provided that the coin—
 - (a) has not lost in weight so as to be more than such percentage below standard weight as may be prescribed as the limit of reasonable wear; and
 - (b) has not been defaced.